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**U.S. Representative**

***John Spratt***

South Carolina # 5th District

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## **News Release**

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# **Spratt Introduces Tax Cut Bill**

**WASHINGTON — U.S. Rep. John Spratt (D-SC) Thursday joined in introducing legislation that would set aside \$800-900 billion of the budget surplus for a tax cut for all American families.**

“Our bill is fair because it gives a sizeable tax cut to those who need it most — middle-income working Americans. Our bill is balanced because it leaves something for debt reduction, something for education and defense, and something to make Social Security and Medicare solvent for years to come,” Spratt said.

The tax cuts backed by Spratt:

- ! Lower the 15% bracket to 12% on the first \$20,000 of taxable income.
- ! Raise the standard deduction for couples to twice the deduction for singles.
- ! Raise the income level at which the Alternative Minimum Tax applies.
- ! Increase child tax credits for moderate-income families.
- ! Increase estate tax credits to shelter \$4-5 million in assets from estate taxes.

Spratt cited three problems with the Republican tax bill, which the House passed by a slim margin. “Their tax cuts,” said Spratt, “leave little margin of error if the ten-year projections of the surplus prove wrong, as they might. They leave next to nothing for priorities to which both parties have made commitments — like education, defense, and prescription drugs. And they leave nothing at all to meet our long-term liabilities to Social Security and Medicare.”

“We have a choice,” said Spratt. “We can set aside a share of our surplus to save Social Security and Medicare, or we can pass the burden of the baby boomers’ retirement to our children. The House is moving massive tax cuts down a fast track before even adopting a budget. What we need is not a fast track, but an earnest debate about tax cuts and all our other choices and obligations.”

As Ranking Member on the Budget Committee, Spratt has proposed a budget framework that carves the non-Social Security surplus into three shares — each in the amount of \$850-900 billion. One-third goes to tax reduction; one-third to priorities like education, defense, and prescription drug coverage; and one-third to make Social Security and Medicare solvent for the long run, once solutions have been agreed upon; in the meantime, it goes to debt reduction. ###